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April 22, 2008

AGENDA ITEM 5a

TO: MEMBERS OF THE HEALTH BENEFITS COMMITTEE

I. SUBJECT: Blue Shield Wellness Program Proposal

II. PROGRAM: Health Benefits

III. RECOMMENDATION: Information Only

IV. INTRODUCTION:

Blue Shield of California (Blue Shield) will provide an overview of their Wellness Initiative to the Health Benefit Committee (HBC). Blue Shield's Wellness Initiative is intended to improve employee engagement with wellness programs and to address one of the key drivers of CalPERS' long-term cost of healthcare trends including member behavior and health status. This agenda item will be presented by Blue Shield Staff.

V. BACKGROUND:

Blue Shield's current wellness and disease management programs are designed to inform, educate and support members at every level -- from achieving and maintaining a healthy lifestyle, through managing chronic conditions and complex medical issues. Data from Blue Shield's current core wellness and medical management programs is collected and consolidated through its Predictive Triage Engine, which then directs members to appropriate care or provides targeted outreach from the plan's team of health professionals. By adding the following enhanced components to further solidify member and provider engagement, Blue Shield believes that even greater results can be achieved.

Worksite Wellness Centers

Onsite wellness centers have been shown to reduce employer costs by decreasing lost work time and absenteeism and improving workforce productivity. In addition, these types of centers are seen to have improved employee morale and assisted in recruitment and retention. Blue Shield's proposal includes

piloting worksite wellness centers at targeted CalPERS locations. These pilot centers would provide a “wellness storefront” at select worksites giving members easy access to “one-stop shopping” for wellness services; health information; and referrals to physicians, online services, and telephone support. Integrating these wellness centers with other Blue Shield wellness and medical management programs will lay the foundation for long-term change by creating a new culture of health and wellness for CalPERS members.

Increased Physician Engagement

When wellness and prevention messages come directly from the member’s provider, these messages clearly resonate with the member and drive member behavior through more direct physician/patient interaction. A physician’s encouragement to join a wellness program increases the likelihood of adoption and ongoing participation. Blue Shield proposes a partnership with selected medical groups/IPAs and primary care physicians with a high volume of CalPERS members that would focus on working closely with patients to make effective use of the Healthy Lifestyle Reward (HLR) program and identify participants for disease management programs.

Health Coaching

Research has shown that for people with serious health-risk factors, health coaching can make a significant difference in changing behavior. One-on-one telephone coaching can encourage improvements in modifiable health-risk scores and initiate positive changes in behaviors that affect health. Therefore, Blue Shield is proposing to implement health coaching to complement its HLR Program. Coaching will be available to those employees meeting certain risk thresholds who benefit most from this type of focused interaction. Blue Shield proposes adding health coaching to the existing HLR program, either by providing this benefit to all Blue Shield members meeting the criteria or initially only to a pilot population.

See Attachment I for details of Blue Shield Wellness Initiative.

VI. STRATEGIC PLAN:

This directly relates to Goals X and XI of the strategic plan which states:

- “Develop and administer quality, sustainable health benefit programs that are responsive to and valued by enrollees and employers.”
- “Promote the ability of members and employers to make informed decision resulting in improved lifestyle changes and health outcomes.”

VII. RESULTS/COSTS:

This is an information item only.

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Attachments